

**Women In Government  
First Annual Energy Summit  
Guiding Principals for a Balanced Energy Approach  
September 10-12, 2009  
Denver, Colorado**

**Saturday, September 12, 2009**

**10:25am – 11:25am**

**State Panel – Developing Energy Legislation in Your State**

Senator Lesil McGuire

Chair, Senate Special Committee on Energy

Alaska State Legislature

**Senator Lesil McGuire's Notes on Energy Legislation Activity in Alaska**

- I am delighted to join you today, and I especially appreciate the gracious invitation from Mary Brooks Beatty, President of Women In Government, as well as our keynote remarks Friday by Secretary Gale Norton and the generous welcome to Colorado by Governor Ritter.
- We are fortunate to have an outstanding panel of legislators for this panel – “Developing Energy Legislation in Your State” – Representative Naida Kaen from New Hampshire; Representative Pricey Harrison from North Carolina; and Senator Beverly Gard from Indiana.
- I welcome the discussions as we address our panel theme of developing energy legislation in our respective states.
- I hope that today's exchange of ideas is thought provoking and useful.
- In Alaska, oil and gas provide the backbone of our economy. We are blessed with proven resources and continued potential for fossil fuel development.
- Alaska is also uniquely situated to be a world-leader in the development of cleaner, greener, renewable, and alternative energies. As Representative Fairclough mentioned, we use roughly 25% of our energy from renewable resources.
- Like many states around the country, Alaska has been a hotbed of new energy legislation and initiatives that aim to develop new energy sources, protect our environment, and provide stable and affordable energy for our citizens, all while encouraging economic development and creating new jobs.
- The biggest energy measure passed by the legislature in recent years – if not in the state's entire 50-year history – was the Alaska Gasline Inducement Act, or AGIA, which created a framework to facilitate the development and construction of a 1,700 mile natural gas pipeline from Alaska's North Slope, through Canada, and on to lower 48 markets.
- This gasline estimated at \$40 billion, would be the largest construction project in North American history. And right now, we have two competing projects: one endorsed by the state and backed by ExxonMobil, and the Canadian pipeline builder, TransCanada; the other being developed via a joint BP/ConocoPhillips venture known as the Denali Gasline.
- With some of the world's biggest names in oil and gas development involved and with two competing projects being developed to bring Alaska's vast supplies of North Slope gas to market, the future of this enormous undertaking and Alaska's prospects for monetizing its long stranded natural gas reserves look very promising.

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- Last year, the legislature also provided funding for the study and planning of a smaller, in-state “bullet line” that would transport natural gas from the North Slope, into the interior, and on down to the population center of the state in Southcentral Alaska.
- The hope for this in-state gasline would be to provide affordable energy for Alaskans and to encourage value-added industrial processing of our natural gas resources.
- Another large undertaking the legislature is currently involved with is the development of a comprehensive statewide energy plan – a policy document that can guide energy policymaking both in the near-term and for decades to come.
- As Chair of the Senate Energy Committee and Co-Chair of Senate Resources, I and my fellow committee members have been holding field hearings throughout the state over the last several months in order to solicit public input and to listen to what various communities and stakeholder groups have to say about what Alaska’s energy plan should look like.
- A likely part of the next legislative session, and an accompanying piece to the energy plan we’re currently developing will be an omnibus energy bill.
- There are several pieces of legislation that I expect will be a part of that package including:
  - My own, SB31, which incentivizes renewable energy development, including hydro, geothermal, solar, wind, and others, by offering a generous transferable tax credit for each kilowatt of energy produced. The beauty of this bill is that it doesn’t require any federal fund spending to incentivize proven projects.
  - SB150, also my bill, which creates a fund for new and emerging energy technologies. A couple of years ago the legislature created the Renewable Energy Fund, which generously funds proven renewable energy projects, the fund created by SB150 completes that picture by creating a funding mechanism for pre-commercial energy technology projects of a more Research and Development nature.
  - A third bill that I sponsored would create a net metering program and allow people to put excess energy that they generate back into the grind.
  - When we reconvene in January, the legislature will also have before it two important bills that address energy efficiency: SB121, which will employ performance contracting and allow energy efficient retrofits to state buildings to essentially pay for themselves without outlaying a single dollar of state money, and SB167, which would institute a statewide energy building code.
- During this upcoming legislative session, we will also be addressing:
  - A bill requiring that any newly constructed public work project be designed to accommodate or be compatible with a viable alternative energy system, if available (SB71).
  - A bill that would remove statutory obstacles to developing compact nuclear batteries that could energize rural communities that are off the grid.

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- A bill that would consolidate six of the states largest municipally owned and cooperative electrical utilities into one much larger corporation in order to increase their ability to fund large projects and much needed infrastructure improvements throughout our Railbelt region.
- And last but not least, a bill that would create a new Department of Energy in the executive branch of state government. The idea being to consolidate and streamline energy programs that are currently operating under a number of disparate offices and agencies throughout the state.
- We are also working above and beyond the bills that are currently before the legislature. We're working with regional and national organizations, including: Council of State Governments – West (CSG-WEST) and the Pacific NorthWest Economic Region (PNWER)
- I was honored at the PNWER Summit 2009 conference in Boise, Idaho in July to be chosen as PNWER's first female president, I look forward to promoting interstate and cross-border cooperation, especially when it comes to getting an Alaskan/Canadian gasline built.
- We're also working closely with our federal delegation – Senators Lisa Murkowski and Mark Begich, and Congressman Don Young – and federal agencies such as the Department of Energy (DOE) and Department of Interior (DOI) and Secretaries Chu and Salazar to ensure that Alaska's energy issues are heard and addressed properly, issues like offshore drilling, climate change, and ANWR.
- I am proud of the work that we are doing in Alaska and I hope that you might look toward us for inspiration and for new ideas on energy policy, just as we have looked toward many of you.
- I again thank you for this opportunity and for listening. I greatly appreciate the work that Women In Government – collectively and individually – are doing to bring us all together to share ideas and to make a difference in our homes, communities, and our governments. Thank you.